

Installment Sale No. 1

Form **6252**Department of the Treasury
Internal Revenue Service**Installment Sale Income**

► Attach to your tax return.

► Use a separate form for each sale or other disposition of property on the installment method.

OMB No. 1545-0228

2005Attachment
Sequence No. **79**

Name(s) shown on return

Identifying number

PRIVATE LABEL SOURCING, LLC**22-3800350**

- 1 Description of property ► **LEASEHOLD IMPROVEMENTS**
- 2a Date acquired (month, day, year) ► **Various** b Date sold (month, day, year) ► **12/04/04**
- 3 Was the property sold to a related party after May 14, 1980? If "No," skip line 4 Yes ☒ No
- 4 Was the property you sold to a related party a marketable security? If "Yes," complete Part III. If "No," complete Part III for the year of sale and the 2 years after the year of sale Yes No

Part I Gross Profit and Contract Price. Complete this part for the year of sale only.

- | | | |
|---|----|--|
| 5 Selling price including mortgages and other debts. Do not include interest whether stated or unstated | 5 | |
| 6 Mortgages, debts, and other liabilities the buyer assumed or took the property subject to | 6 | |
| 7 Subtract line 6 from line 5 | 7 | |
| 8 Cost or other basis of property sold | 8 | |
| 9 Depreciation allowed or allowable | 9 | |
| 10 Adjusted basis. Subtract line 9 from line 8 | 10 | |
| 11 Commissions and other expenses of sale | 11 | |
| 12 Income recapture from Form 4797, Part III | 12 | |
| 13 Add lines 10, 11, and 12 | 13 | |
| 14 Subtract line 13 from line 5. If zero or less, do not complete the rest of this form | 14 | |
| 15 If the property described on line 1 above was your main home, enter the amount of your excluded gain. Otherwise, enter -0- | 15 | |
| 16 Gross profit. Subtract line 15 from line 14 | 16 | |
| 17 Subtract line 13 from line 6. If zero or less, enter -0- | 17 | |
| 18 Contract price. Add line 7 and line 17 | 18 | |

Part II Installment Sale Income. Complete this part for the year of sale and any year you receive a payment or have certain debts you must treat as a payment on installment obligations.

- | | | |
|---|----|----------|
| 19 Gross profit percentage. Divide line 16 by line 18. For years after the year of sale, see instructions | 19 | 16.0998% |
| 20 If this is the year of sale, enter amount from line 17. Otherwise, enter -0- | 20 | 0. |
| 21 Payments received during year. Do not include interest, whether stated or unstated | 21 | 451,050. |
| 22 Add lines 20 and 21 | 22 | 451,050. |
| 23 Payments received in prior years. Do not include interest, whether stated or unstated | 23 | 150,000. |
| 24 Installment sale income. Multiply line 22 by line 19 | 24 | 72,618. |
| 25 Enter the part of line 24 that is ordinary income under the recapture rules | 25 | |
| 26 Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797 | 26 | 72,618. |

Part III Related Party Installment Sale Income. Do not complete if you received the final payment this tax year.

- 27 Name, address, and taxpayer identifying number of related party

- 28 Did the related party resell or dispose of the property ("second disposition") during this tax year? Yes No

- 29 If the answer to question 28 is "Yes," complete lines 30 through 37 below unless one of the following conditions is met. Check the box that applies.

- a The second disposition was more than 2 years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of disposition (month, day, year) ►
- b The first disposition was a sale or exchange of stock to the issuing corporation.
- c The second disposition was an involuntary conversion and the threat of conversion occurred after the first disposition.
- d The second disposition occurred after the death of the original seller or buyer.
- e It can be established to the satisfaction of the Internal Revenue Service that tax avoidance was not a principal purpose for either of the dispositions. If this box is checked, attach an explanation.

- | | | |
|--|----|--|
| 30 Selling price of property sold by related party | 30 | |
| 31 Enter contract price from line 18 for year of first sale | 31 | |
| 32 Enter the smaller of line 30 or line 31 | 32 | |
| 33 Total payments received by the end of your 2005 tax year | 33 | |
| 34 Subtract line 33 from line 32. If zero or less, enter -0- | 34 | |
| 35 Multiply line 34 by the gross profit percentage on line 19 for year of first sale | 35 | |
| 36 Enter the part of line 35 that is ordinary income under the recapture rules | 36 | |
| 37 Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797 | 37 | |

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11-10-05 LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 6252 (2005)

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2005.08010 PRIVATE LABEL SOURCING, LLC 08-111141

22-3800350

Installment Sale No. 1

[illegible]

2005.08010 PRIVATE LABEL SOURCING, LLC 08-11141

Worksheet for Figuring Net Earnings (Loss) From Self-Employment

Name of partnership		Employer identification number	
PRIVATE LABEL SOURCING, LLC		22-3800350	
1 a Ordinary income (loss) (Schedule K, line 1)	1a	<657,911.>	
b Net income (loss) from CERTAIN rental real estate activities	1b		
c Net income (loss) from other rental activities (Schedule K, line 3c)	1c		
d Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount	1d		
e Other additions	1e		
f Combine lines 1a through 1e	1f	<657,911.>	
2 a Net gain from Form 4797, Part II, line 17, included on line 1a above	2a		
b Other subtractions	2b		
c Add lines 2a and 2b	2c		
3 a Subtract line 2c from line 1f. If line 1f is a loss, increase the loss on line 1f by the amount on line 2c	3a	<657,911.>	3c
b Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs	3b	<657,911.>	
c Subtract line 3b from line 3a			
4 a Guaranteed payments to partners (Schedule K, line 4) derived from a trade or business as defined in section 1402(c)	4a	365,894.	4c
b Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs	4b		
c Subtract line 4b from line 4a			
5 Net earnings (loss) from self-employment. Combine lines 3c and 4c. Enter here and on Schedule K, line 14a	5	365,894.	

PRIVATE LABEL SOURCING, LLC

22-3800350

Form 1065	Other Income	Statement	1
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Description	Amount
COMMISSION INCOME	1,567,838.
SECTION 481(A) ADJUSTMENT - 3RD YEAR	5,349.
Total to Form 1065, Line 7	1,573,187.

Form 1065	Tax Expense	Statement	2
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Description	Amount
New York City Taxes - Based on Income	7,242.
PAYROLL TAXES	97,206.
Total to Form 1065, Line 14	104,448.

Form 1065	Other Deductions	Statement	3
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Description	Amount
SHOWROOM EXPENSE	20,856.
TRAVEL	293,173.
AUTO EXPENSE	81,960.
TELEPHONE & FAX	64,141.
UTILITIES	11,072.
DESIGN SUPPLIES	35,743.
PRODUCTION SAMPLE DEVELOPMENT	316,328.
WAREHOUSE & STORAGE EXPENSE	153,154.
DUES & SUBSCRIPTIONS	475.
POSTAGE & MESSENGER	1,711.
OFFICE SUPPLIES & EXPENSE	9,261.
COMPUTER SUPPLIES & EXPENSE	18,291.
PROFESSIONAL FEES	111,591.
PAYROLL PROCESSING	2,666.
BANK CHARGES & FEES	23,924.
INSURANCE EXPENSE	62,626.
EQUIPMENT RENTAL	13,028.
FACTOR COMMISSIONS	70,616.
Meals and Entertainment	28,960.
Amortization expense	2,000.
Total to Form 1065, Line 20	1,321,576.

PRIVATE LABEL SOURCING, LLC

22-3800350

Schedule A	Other Costs	Statement	4
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Description	Amount
COMMISSIONS	319,301.
DUTY & BROKERAGE	613,658.
FREIGHT-IN	681,316.
OTHER CHARGES	2,636.
Total to Form 1065, Page 2, Line 5	1,616,911.

Schedule K	Interest Income	Statement	5
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Description	U.S. Bonds	Other
INTEREST INCOME		2,547.
Total to Schedule K, Line 5		2,547.

Schedule K	Other Deductions	Statement	6
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Description	Amount
DEFINED BENEFIT PLAN CONTRIBUTIONS	39,059.
Total included in Schedule K, Line 13d	39,059.

Schedule K	Nondeductible Expense	Statement	7
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Description	Amount
Excluded meals and entertainment expenses	28,960.
Total to Schedule K, Line 18c	28,960.

PRIVATE LABEL SOURCING, LLC

22-3800350

Schedule L	Other Current Assets	Statement	8
Description	Beginning of Tax Year	End of Tax Year	
DUE FROM FACTOR	363,062.	539,227.	
PREPAID EXPENSES	76,835.	31,552.	
LOAN & EXCHANGES	60,924.	4,351.	
City prepaid taxes	0.	36,925.	
Total to Schedule L, Line 6	500,821.	612,055.	

Schedule L	Other Assets	Statement	9
Description	Beginning of Tax Year	End of Tax Year	
SECURITY DEPOSITS	116,111.	58,190.	
Total to Schedule L, Line 13	116,111.	58,190.	

Schedule L	Other Current Liabilities	Statement	10
Description	Beginning of Tax Year	End of Tax Year	
ACCRUED PENSION	0.	45,166.	
ACCRUED EXPENSES	0.	238,249.	
Total to Schedule L, Line 17	0.	283,415.	

Schedule M-1	Income Not Recorded on Books this Year	Statement	11
Description	Amount		
263A ADJUSTMENT	<110,216.>		
SECTION 481(A) ADJUSTMENT	5,349.		
DEFINED BENEFIT PENSION EXPENSE (NET)	6,107.		
PREPAID EXPENSES - IRC SECTION 461 BEGINNING OF YEAR	31,540.		
PREPAID EXPENSES - IRC SECTION 461 END OF YEAR	<31,552.>		
Gain (loss) on disposition of assets	72,618.		
Total to Schedule M-1, Line 2	<26,154.>		

PRIVATE LABEL SOURCING, LLC

22-3800350

Schedule M-1	Deductions on Return Not Charged Against Books	Statement 12
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Description	Amount
Amortization	2,000.
Total to Schedule M-1, Line 7	2,000.

Schedule M-2	Other Decreases	Statement 13
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Description	Amount
OTHER COMPREHENSIVE ADJUSTMENTS - DB PENSION	201,253.
Total to Schedule M-2, Line 7	201,253.

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ALTERNATIVE MINIMUM TAX DEPRECIATION REPORT

Asset No.	Description	Date Acquired	AMT Method	AMT Life	AMT Cost Or Basis	AMT Accumulated	Regular Depreciation	AMT Depreciation	AMT Adjustment
2	COMPUTER SOFTWARE	0101021	150DB	3.00	6,354.	3,708.	740.	2,646.	<1,906.>
3	COMPUTER SOFTWARE	0201021	150DB	3.00	1,421.	830.	165.	591.	<426.>
4	COMPUTER SOFTWARE	0301021	150DB	3.00	2,918.	1,703.	340.	1,215.	<875.>
5	COMPUTER SOFTWARE	0401021	150DB	3.00	270.	158.	31.	112.	<81.>
6	COMPUTER SOFTWARE	1001021	150DB	3.00	1,145.	668.	133.	477.	<344.>
7	COMPUTER SOFTWARE	1201021	150DB	3.00	4,708.	3,218.	1,490.	1,490.	0.
8	COMPUTER EQUIPMENT	0201021	150DB	5.00	10,331.	6,028.	833.	1,721.	<888.>
9	COMPUTER EQUIPMENT	0301021	150DB	5.00	7,593.	4,431.	612.	1,265.	<653.>
10	COMPUTER EQUIPMENT	0601021	150DB	5.00	3,847.	2,245.	270.	641.	<371.>
11	COMPUTER EQUIPMENT	0901021	150DB	5.00	1,214.	708.	98.	202.	<104.>
22	COMPUTER EQUIPMENT	0131051	150DB	5.00	2,702.	0.	541.	406.	135.
23	COMPUTER EQUIPMENT	0706051	150DB	5.00	688.	0.	138.	103.	35.
24	TELEPHONE SYSTEM	0101051	150DB	7.00	9,375.	0.	1,340.	1,005.	335.
25	TELEPHONE SYSTEM	0701021	150DB	7.00	13,933.	6,253.	2,413.	1,707.	706.
26	TELEPHONE SYSTEM	0801021	150DB	7.00	779.	350.	135.	95.	40.
27	TELEPHONE SYSTEM	1101021	150DB	7.00	92.	41.	16.	11.	5.
28	TELEPHONE SYSTEM	1201021	150DB	7.00	1,256.	564.	217.	154.	63.
30	FURNITURE & FIXTURES	0101051	150DB	7.00	32,044.	0.	4,578.	3,434.	1,144.
31	FURNITURE & FIXTURES	0401021	150DB	7.00	166,431.	74,694.	32,699.	20,386.	12,313.
32	FURNITURE & FIXTURES	0401021	150DB	7.00	19,085.	8,565.	3,305.	2,338.	967.
33	LEASEHOLD IMPROVEMENTS	012505SL		39.50	6,785.	0.	157.	157.	0.
	Totals				292,971.	114,164.	50,251.	40,156.	10,095.
	MACRS AMT Adjustment							10,095.	

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Schedule K-1
(Form 1065)

For calendar year 2005, or tax

2005

Final K-1

Amended K-1

OMB No. 1545-0099

Department of the Treasury
Internal Revenue Service

year beginning

ending

**Partner's Share of Income, Deductions,
Credits, etc.**

▶ See separate instructions.

Part I Information About the PartnershipA Partnership's employer identification number
22-3800350

B Partnership's name, address, city, state, and ZIP code

**PRIVATE LABEL SOURCING, LLC
597 BROADWAY
NEW YORK, NY 10012**C IRS Center where partnership filed return
Cincinnati, OH

D Check if this is a publicly traded partnership (PTP)

E Tax shelter registration number, if any

F Check if Form 8271 is attached

Part II Information About the PartnerG Partner's identifying number
142-70-5012

H Partner's name, address, city, state, and ZIP code

**CHRISTINE DENTE
935 SEDGEWICK COURT
WESTFIELD, NJ 07090**I General partner or LLC
member-manager☒ Limited partner or other LLC
memberJ ☒ Domestic partner

Foreign partner

K What type of entity is this partner? **Individual**

L Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	50.0000000%	50.0000000%
Loss	50.0000000%	50.0000000%
Capital	49.1889000%	49.1889000%

M Partner's share of liabilities at year end:

Nonrecourse	\$	1,344,667.
Qualified nonrecourse financing	\$	0.
Recourse	\$	0.

N Partner's capital account analysis:

Beginning capital account	\$	<137,683.
Capital contributed during the year	\$	
Current year increase (decrease)	\$	<411,531.
Withdrawals & distributions	\$(49,019.)
Ending capital account	\$	<598,233.

☒ Tax basis
Other (explain)

GAAP

Section 704(b) book

**Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items**

1 Ordinary business income (loss)	<328,956.>	15 Credits & credit recapture
2 Net rental real estate income (loss)		16 Foreign transactions
3 Other net rental income (loss)		
4 Guaranteed payments	183,141.	
5 Interest income	1,274.	
6a Ordinary dividends		17 Alternative min tax (AMT) items
6b Qualified dividends		A 5,048.
7 Royalties		
8 Net short-term capital gain (loss)		18 Tax-exempt income and nondeductible expenses
9a Net long-term capital gain (loss)		C* 14,480.
9b Collectibles (28%) gain (loss)		19 Distributions
9c Unrecaptured sec 1250 gain		A 49,019.
10 Net section 1231 gain (loss)	36,309.	20 Other information
11 Other income (loss)		A 1,274.
12 Section 179 deduction		
13 Other deductions	W* 19,530.	
14 Self-employment earnings (loss)	A 183,141.	

*See attached statement for additional information.

For IRS Use Only

JWA For Privacy Act and Paperwork Reduction Act Notice, see Instructions for Form 1065.

Schedule K-1 (Form 1065) 2005

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2005.08010 PRIVATE LABEL SOURCING, LLC 08-11141

PRIVATE LABEL SOURCING, LLC

22-3800350

Schedule K-1 Other Deductions, Box 13, Code W

Description	Amount	Partner Filing Instructions
DEFINED BENEFIT PLAN CONTRIBUTIONS	19,530.	

Schedule K-1 Nondeductible Expenses, Box 18, Code C

Description	Amount	Partner Filing Instructions
Excluded meals and entertainment expenses	14,480.	Nondeductible portion

Schedule K-1 Current Year Increases (Decreases)

Description	Amount	Totals
Ordinary income (loss)	<328,956.>	
Interest income	1,274.	
Section 1231 gain (loss)	36,309.	
Schedule K-1 income subtotal		<291,373.>
Other deductions	<19,530.>	
Schedule K-1 deductions subtotal		<19,530.>
Amortization on return and not on books	1,000.	
Depreciation on return and not on books	403.	
Gain/loss on return and not on books	<36,309.>	
Nondeductible expenses	<14,480.>	
263A ADJUSTMENT	55,108.	
SECTION 481(A) ADJUSTMENT	<2,675.>	
DEFINED BENEFIT PENSION EXPENSE (NET)	<3,054.>	
PREPAID EXPENSES - IRC SECTION 461 BEGINNING OF YEAR	<15,770.>	
PREPAID EXPENSES - IRC SECTION 461 END OF YEAR	15,776.	
OTHER COMPREHENSIVE ADJUSTMENTS - DB PENSION	<100,627.>	
Other increases or decreases subtotal		<100,628.>
Total to Schedule K-1, Item N		<411,531.>

PRIVATE LABEL SOURCING, LLC

22-3800350

Schedule K-1

Footnotes

YOUR LOSS MAY BE LIMITED FROM LACK OF BASIS. PLEASE CONSULT
YOUR TAX ADVISOR.

COPY

Schedule K-1
(Form 1065)

For calendar year 2005, or tax

year beginning

ending

2005Department of the Treasury
Internal Revenue Service**Partner's Share of Income, Deductions,
Credits, etc.**

▶ See separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number
22-3800350**B** Partnership's name, address, city, state, and ZIP codePRIVATE LABEL SOURCING, LLC
597 BROADWAY
NEW YORK, NY 10012**C** IRS Center where partnership filed return
Cincinnati, OH**D** Check if this is a publicly traded partnership (PTP)**E** Tax shelter registration number, if any**F** Check if Form 8271 is attached**Part II Information About the Partner****G** Partner's identifying number
074-74-5839**H** Partner's name, address, city, state, and ZIP codeBRUCE ALLEN
250 UPPER MOUNTAIN AVENUE
UPPER MONTCLAIR, NJ 07043**I** General partner or LLC
member-manager☒ Limited partner or other LLC
member**J** ☒ Domestic partner

Foreign partner

K What type of entity is this partner? Individual**L** Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	50.0000000%	50.0000000%
Loss	50.0000000%	50.0000000%
Capital	50.8111000%	50.8111000%

M Partner's share of liabilities at year end:

Nonrecourse	\$	1,344,667.
Qualified nonrecourse financing	\$	0.
Recourse	\$	0.

N Partner's capital account analysis:

Beginning capital account	\$	<78,639.
Capital contributed during the year	\$	
Current year increase (decrease)	\$	<411,527.
Withdrawals & distributions	\$(62,725.)
Ending capital account	\$	<552,891.

☒ Tax basis

GAAP

Section 704(b) book

Other (explain)

Final K-1

Amended K-1

OMB No. 1545-0099

**Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items**

1 Ordinary business income (loss)	<328,955.>	15 Credits & credit recapture
2 Net rental real estate income (loss)		16 Foreign transactions
3 Other net rental income (loss)		
4 Guaranteed payments	182,753.	
5 Interest income	1,273.	
6a Ordinary dividends		17 Alternative min tax (AMT) items
6b Qualified dividends		A 5,047.
7 Royalties		
8 Net short-term capital gain (loss)		18 Tax-exempt income and nondeductible expenses
9a Net long-term capital gain (loss)		C* 14,480.
9b Collectibles (28%) gain (loss)		19 Distributions
9c Unrecaptured sec 1250 gain		A 62,725.
10 Net section 1231 gain (loss)	36,309.	20 Other information
11 Other income (loss)		A 1,273.
12 Section 179 deduction		
13 Other deductions	W* 19,529.	
14 Self-employment earnings (loss)	A 182,753.	

*See attached statement for additional information.

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Schedule K-1 (Form 1065) 2005

PRIVATE LABEL SOURCING, LLC

22-3800350

Schedule K-1 Other Deductions, Box 13, Code W

Description	Amount	Partner Filing Instructions
DEFINED BENEFIT PLAN CONTRIBUTIONS	19,529.	

Schedule K-1 Nondeductible Expenses, Box 18, Code C

Description	Amount	Partner Filing Instructions
Excluded meals and entertainment expenses	14,480.	Nondeductible portion

Schedule K-1 Current Year Increases (Decreases)

Description	Amount	Totals
Ordinary income (loss)	<328,955.>	
Interest income	1,273.	
Section 1231 gain (loss)	36,309.	
Schedule K-1 income subtotal		<291,373.>
Other deductions	<19,529.>	
Schedule K-1 deductions subtotal		<19,529.>
Amortization on return and not on books	1,000.	
Depreciation on return and not on books	403.	
Gain/loss on return and not on books	<36,309.>	
Nondeductible expenses	<14,480.>	
263A ADJUSTMENT	55,108.	
SECTION 481(A) ADJUSTMENT	<2,674.>	
DEFINED BENEFIT PENSION EXPENSE (NET)	<3,053.>	
PREPAID EXPENSES - IRC SECTION 461 BEGINNING OF YEAR	<15,770.>	
PREPAID EXPENSES - IRC SECTION 461 END OF YEAR	15,776.	
OTHER COMPREHENSIVE ADJUSTMENTS - DB PENSION	<100,626.>	
Other increases or decreases subtotal		<100,625.>
Total to Schedule K-1, Item N		<411,527.>

PRIVATE LABEL SOURCING, LLC

22-3800350

Schedule K-1

Footnotes

YOUR LOSS MAY BE LIMITED FROM LACK OF BASIS. PLEASE CONSULT
YOUR TAX ADVISOR.

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Form 1065 Department of the Treasury Internal Revenue Service		U.S. Return of Partnership Income For calendar year 2006, or tax year beginning _____, ending _____ ▶ See separate instructions.		OMB No. 1545-0099 2006
A Principal business activity IMPORTER	Use the IRS label. Other- wise, print or type.	Name of partnership PRIVATE LABEL SOURCING, LLC	D Employer identification number 22-3800350	
B Principal product or service WOMEN'S APPA		Number, street, and room or suite no. If a P.O. box, see the instructions. 597 BROADWAY 2ND FLOOR	E Date business started 7/01/2001	
C Business code number 424300		City or town, state, and ZIP code NEW YORK NY 10012	F Total assets (see the instructions) \$ 1,414,587	

G Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☒ Address change (5) ☐ Amended return

H Check accounting method: (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other (specify) ▶ _____

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ **2**

J Check if Schedule M-3 required (attach Schedule M-3) ☐

Caution. Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a	10,822,118		10,822,118	
	b Less returns and allowances	1b		1c	10,822,118	
	2 Cost of goods sold (Schedule A, line 8)	2	8,840,075			
	3 Gross profit. Subtract line 2 from line 1c	3	1,982,043			
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)	4				
	5 Net farm profit (loss) (attach Schedule F (Form 1040))	5				
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)	6				
	7 Other income (loss) (attach statement)	7	180,116			
8 Total income (loss). Combine lines 3 through 7					2,162,159	
Deductions <small>(see the instructions for limitations)</small>	9 Salaries and wages (other than to partners) (less employment credits)	9	953,528			
	10 Guaranteed payments to partners	10	43,590			
	11 Repairs and maintenance	11	6,069			
	12 Bad debts	12	4,351			
	13 Rent	13	235,841			
	14 Taxes and licenses	14	58,914			
	15 Interest	15	215,992			
	16a Depreciation (if required, attach Form 4562)	16a	43,399			
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16c	43,399	
	17 Depletion (Do not deduct oil and gas depletion.)	17				
	18 Retirement plans, etc.	18	1,390			
	19 Employee benefit programs	19	105,265			
	20 Other deductions (attach statement)	20	1,245,906			
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20					2,914,245
	22 Ordinary business income (loss). Subtract line 21 from line 8					-752,086
23 Credit for federal telephone excise tax paid (attach Form 8913)						

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.

Signature of general partner or limited liability company member manager

Date

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer's Use Only

Preparer's signature

Date

10/15/07

Check if self-employed ☐

Preparer's SSN or PTIN

P00225941

Firm's name (or yours if self-employed), address, and ZIP code

MANGO & HUBER, LLC, CPAS

53 Cardinal Drive

Westfield, NJ

07090

EIN ▶

22-2850926

Phone no.

908-654-3500

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Form 1065 (2006)

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Form 1065 (2006) **PRIVATE LABEL SOURCING, LLC****22-3800350**

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Schedule K Partners' Distributive Share Items		Total amount
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1 -752,086
	2 Net rental real estate income (loss) (attach Form 8825)	2
	3a Other gross rental income (loss)	3a
	b Expenses from other rental activities (attach statement)	3b
	c Other net rental income (loss). Subtract line 3b from line 3a	3c
	4 Guaranteed payments	4 43,590
	5 Interest income	5
	6 Dividends: a Ordinary dividends	6a
	b Qualified dividends	6b
	7 Royalties	7
	8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a	
b Collectibles (28%) gain (loss)	9b	
c Unrecaptured section 1250 gain (attach statement)	9c	
10 Net section 1231 gain (loss) (attach Form 4797)	10	
11 Other income (loss) (see instructions) Type ▶	11	
Deductions	12 Section 179 deduction (attach Form 4562)	12
	13a Contributions	13a
	b Investment interest expense	13b
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c(2)
d Other deductions (see instructions) Type ▶	13d	
Self-Employment	14a Net earnings (loss) from self-employment	14a
	b Gross farming or fishing income	14b
	c Gross nonfarm income	14c 2,162,159
Credits	15a Low-income housing credit (section 42(j)(5))	15a
	b Low-income housing credit (other)	15b
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	15c
	d Other rental real estate credits (see instructions) Type ▶	15d
	e Other rental credits (see instructions) Type ▶	15e
	f Other credits (see instructions) Type ▶	15f
Foreign Transactions	16a Name of country or U.S. possession ▶	
	b Gross income from all sources	16b
	c Gross income sourced at partner level	16c
	Foreign gross income sourced at partnership level	
	d Passive ▶ e Listed categories (attach statement) ▶ f General limitation ▶	16f
	Deductions allocated and apportioned at partner level	
	g Interest expense ▶ h Other ▶	16h
	Deductions allocated and apportioned at partnership level to foreign source income	
	i Passive ▶ j Listed categories (attach statement) ▶ k General limitation ▶	16k
	l Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l
m Reduction in taxes available for credit (attach statement)	16m	
n Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) items	17a Post-1986 depreciation adjustment	17a 2
	b Adjusted gain or loss	17b
	c Depletion (other than oil and gas)	17c
	d Oil, gas, and geothermal properties-gross income	17d
	e Oil, gas, and geothermal properties-deductions	17e
	f Other AMT items (attach statement)	17f
Other Information	18a Tax-exempt interest income	18a
	b Other tax-exempt income	18b
	c Nondeductible expenses See Statement 5	18c 38,887
	19a Distributions of cash and marketable securities	19a
	b Distributions of other property	19b
	20a Investment income	20a
b Investment expenses	20b	
c Other items and amounts (attach statement)		

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Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l						1	-708,496
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners							
b Limited partners	-376,043		-332,453				

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1 Cash			121,468		85,078
2a Trade notes and accounts receivable		597,960		483,621	
b Less allowance for bad debts			597,960		483,621
3 Inventories					369,703
4 U.S. government obligations					
5 Tax-exempt securities					
6 Other current assets (attach statement) See Stmt 6			612,055		185,528
7 Mortgage and real estate loans					
8 Other investments (attach statement)					
9a Buildings and other depreciable assets		317,138		485,556	
b Less accumulated depreciation		168,601	148,537	253,089	232,467
10a Depletable assets					
b Less accumulated depletion					
11 Land (net of any amortization)					
12a Intangible assets (amortizable only)					
b Less accumulated amortization					0
13 Other assets (attach statement) See Stmt 7			58,190		58,190
14 Total assets			1,538,210		1,414,587
Liabilities and Capital					
15 Accounts payable					3,243,381
16 Mortgages, notes, bonds payable in less than 1 year					79,461
17 Other current liabilities (attach statement) See Stmt 8			283,415		1,558
18 All nonrecourse loans			2,405,919		
19 Mortgages, notes, bonds payable in 1 year or more					72,373
20 Other liabilities (attach statement)					
21 Partners' capital accounts			-1,151,124		-1,982,186
22 Total liabilities and capital			1,538,210		1,414,587

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1 Net income (loss) per books	-831,062	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)	43,590	7 Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		a Depreciation \$	
a Depreciation \$ 41,089		See Statement 10	
b Travel and entertainment \$ 7,971		1,000	1,000
See Statement 9		8 Add lines 6 and 7	1,000
30,916	79,976	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	-708,496
5 Add lines 1 through 4	-707,496		

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	-1,151,124	6 Distributions: a Cash	
2 Capital contributed: a Cash		b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	-831,062		
4 Other increases (itemize):		8 Add lines 6 and 7	
5 Add lines 1 through 4	-1,982,186	9 Balance at end of year. Subtract line 8 from line 5	-1,982,186

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Form 1065 (2006)

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OMB No. 1545-0099

Partner# 1
Schedule K-1
(Form 1065)Department of the Treasury
Internal Revenue Service**2006**For calendar year 2006, or tax
year beginning _____
ending _____**Partner's Share of Income, Deductions,
Credits, etc.**

▶ See back of form and separate instructions.

Part I Information About the Partnership

A	Partnership's employer identification number 22-3800350
B	Partnership's name, address, city, state, and ZIP code PRIVATE LABEL SOURCING, LLC 597 BROADWAY 2ND FLOOR NEW YORK NY 10012
C	IRS Center where partnership filed return Cincinnati, OH 45999-0011
D	<input type="checkbox"/> Check if this is a publicly traded partnership (PTP)
E	Tax shelter registration number, if any _____
F	<input type="checkbox"/> Check if Form 8271 is attached

Part II Information About the Partner

G	Partner's identifying number 142-70-5012												
H	Partner's name, address, city, state, and ZIP code CHRISTINE A PETTI 935 SEDGEWICK COURT WESTFIELD NJ 07090												
I	<input type="checkbox"/> General partner or LLC member-manager <input checked="" type="checkbox"/> Limited partner or other LLC member												
J	<input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner												
K	What type of entity is this partner? Individual												
L	Partner's share of profit, loss, and capital: <table border="1"> <thead> <tr> <th></th> <th>Beginning</th> <th>Ending</th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td>50.000000 %</td> <td>50.000000 %</td> </tr> <tr> <td>Loss</td> <td>50.000000 %</td> <td>50.000000 %</td> </tr> <tr> <td>Capital</td> <td>49.188900 %</td> <td>49.188900 %</td> </tr> </tbody> </table>		Beginning	Ending	Profit	50.000000 %	50.000000 %	Loss	50.000000 %	50.000000 %	Capital	49.188900 %	49.188900 %
	Beginning	Ending											
Profit	50.000000 %	50.000000 %											
Loss	50.000000 %	50.000000 %											
Capital	49.188900 %	49.188900 %											
M	Partner's share of liabilities at year end: Nonrecourse \$ _____ Qualified nonrecourse financing \$ _____ Recourse \$ 1,698,387												
N	Partner's capital account analysis: Beginning capital account \$ -598,233 Capital contributed during the year \$ _____ Current year increase (decrease) \$ -415,533 Withdrawals & distributions \$ (_____) Ending capital account \$ -1,013,766 <input checked="" type="checkbox"/> Tax basis <input type="checkbox"/> GAAP <input type="checkbox"/> Section 704(b) book <input type="checkbox"/> Other (explain) _____												

☐ Final K-1☐ Amended K-1**Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items**

1	Ordinary business income (loss) -376,043	15	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments 43,590		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items A 1
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
11	Other income (loss)	C*	STMT
		19	Distributions
12	Section 179 deduction		
13	Other deductions		
		20	Other information
14	Self-employment earnings (loss) C 1,081,080		

* See attached statement for additional information.

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OMB No. 1545-0099

Partner# 2
Schedule K-1
(Form 1065)Department of the Treasury
Internal Revenue Service**2006**For calendar year 2006, or tax
year beginning _____
ending _____**Partner's Share of Income, Deductions,
Credits, etc.**

▶ See back of form and separate instructions.

Part I Information About the Partnership	
A Partnership's employer identification number 22-3800350	
B Partnership's name, address, city, state, and ZIP code PRIVATE LABEL SOURCING, LLC 597 BROADWAY 2ND FLOOR NEW YORK NY 10012	
C IRS Center where partnership filed return Cincinnati, OH 45999-0011	
D <input type="checkbox"/> Check if this is a publicly traded partnership (PTP)	
E <input type="checkbox"/> Tax shelter registration number, if any _____	
F <input type="checkbox"/> Check if Form 8271 is attached	
Part II Information About the Partner	
G Partner's identifying number Applied For	
H Partner's name, address, city, state, and ZIP code JETWELL GARMENTS, LT 576-586 CASTLE PEAK ROAD CHEUNG SAH WAN KOWLOON	
I <input type="checkbox"/> General partner or LLC member-manager <input checked="" type="checkbox"/> Limited partner or other LLC member	
J <input type="checkbox"/> Domestic partner <input checked="" type="checkbox"/> Foreign partner	
K What type of entity is this partner? Corporation	
L Partner's share of profit, loss, and capital:	
Beginning Ending	
Profit 50.000000 % 50.000000 %	
Loss 50.000000 % 50.000000 %	
Capital 50.811100 % 50.811100 %	
M Partner's share of liabilities at year end:	
Nonrecourse \$ _____	
Qualified nonrecourse financing \$ _____	
Recourse \$ 1,698,386	
N Partner's capital account analysis:	
Beginning capital account \$ -552,891	
Capital contributed during the year \$ _____	
Current year increase (decrease) \$ -415,529	
Withdrawals & distributions \$ (_____)	
Ending capital account \$ -968,420	
<input checked="" type="checkbox"/> Tax basis <input type="checkbox"/> GAAP <input type="checkbox"/> Section 704(b) book	
<input type="checkbox"/> Other (explain) _____	

☐ Final K-1☐ Amended K-1

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) -376,043	15	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items
		A	1
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
11	Other income (loss)	C*	STMT
12	Section 179 deduction	19	Distributions
13	Other deductions		
		20	Other information
		W*	STMT
14	Self-employment earnings (loss) C 1,081,079		
* See attached statement for additional information.			
For IRS Use Only			
			

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Schedule K-1 (Form 1065) 2006

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